

Mexico The Exploited

—by—
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The Mexican question is very simple. And it is actually being solved by the Mexican people in a very simple way. That is why we do not understand it. We are so accustomed to having it said that industrial and social problems, and especially those which involve finance, are complex. They cannot be understood by the common man. There must be experts to work out a solution. They should be submitted to the courts or arbitration. That is the way the Anglo-Saxon mind approaches political and social problems. We distrust ourselves.

The Latin peoples do not have that same veneration for such problems. They are not awed by them. When the French want to do anything they do it in a straightforward way. The Mexicans are much like the French. In fact they are steeped in the history of the Revolution. They know that the French were the only people in Europe who really got any particular good out of the revolution. The English put on plasters that have kept the sores alive to this day, but the French used an axe on the root. And that is what the Mexican people are doing. They are performing a surgical operation instead of giving an anesthetic.

That is what mystifies the people of the United States. It affronts our financial investors as it does those of England, France and Germany, the countries that have the largest financial stakes in Mexico. They want Mexico to settle its problems in the old European way, in a way that recognizes all of the jargon of diplomacy, of secrecy of negotiations, of the will of the great powers, of the legal writings that have been signed between the exploiters and the gamblers of the long reign of Diaz and his advisers.

But to the Mexican the Mexican problem is not one of diplomatic adroitness. He says there are certain things that cannot be arbitrated and one of them is the right of one man to keep another man in slavery by means of contracts in which the slaves have no hand in the making. To the Mexican—that is to all of the Mexicans—that is to all of the conspirators with Americans and Europeans—the trouble is that by some hook or crook everything worth owning in Mexico is owned by foreigners.

The Mexicans own nothing. They get nothing. They work all of the year round and at the end of that year they are no better off than they were at the beginning. Often they are worse off for they are in debt to the company store. Millions of millions of wealth go annually from the country as a result of their labors but none of it stays at home. The men who get the wealth have for the most part never set foot in Mexico. Many of them have never invested more than a few thousand dollars and that has gone in bribes or corruption to high officials. For such an insignificant investment, the foreigner gets control of the country. He owned everything worth owning—the railroads, mines, oil wells, gold and silver mines, plantations, etc. He even owned the government itself up to 1910, which was thrown in for good measure. With the government he obtained control of taxation which he used to exempt the things he owned from taxation.

Owning the government he controlled education and education was not good for the poor. It made him too independent. He might want to rise above his place in the world. And by the same means he secured the banks. When the poor went to the store to spend the little that he was given for his labor he spent it at the company store owned by a Frenchman or a German. When he wanted a loan for the planting or the harvesting of his crops he only secured it at usurious interest. Along with these economic conditions that are not so complex but that even an ignorant Mexican can understand them, the foreigner gave him an oppressive, cruel and murderous government. He gave him Diaz; he gave him Huerta.

Mexico was just like France prior to the French Revolution. Only the seigniors did not have the single virtue of being Mexican. They lived abroad instead of at Versailles. They gambled the rents and profits wrung from their Mexican serfs, not only on

the gaming table but on the stock exchange as well. They maintained their power by force of arms and no blithering sentimentality was permitted to get in the way of standing trouble makers up against the wall or of shooting up a whole village when the peons tried to assert their ancestral right to the common lands which had come down to them for generations but which Diaz gave away to his financial favorites who needed cheap labor for their mines and who could secure it only by depriving the peasants of their own land so that they would have to accept the wages offered them or starve.

The Mexicans want to get back their land which has been taken from them by bribery or machine guns. And they are getting it. They want to get back their oil wells, gold and silver mines and the tremendously rich copper deposits of the north and they are doing it. The Mexicans want to work for themselves rather than for an impersonal foreign corporation. They want to be home owners rather than tenants. They want to own a little piece of land to cultivate and pass it on to their children. They want economic independence and all that economic independence implies.

And they are doing this by ending the concessions and grants which they as well as all the world knows were for the most part obtained by graft. They are taxing the great plantations, the mines and the oil wells. They are requiring the two and a half billion of foreign owned property to contribute to the support of the state. They are taking back the common lands. They are giving the people homes. They are ending franchises, grants and privileges and they are doing it without that diplomatic finesse that financial imperialism, backed by its diplomatic corps and navy, is accustomed to.

The Mexican can see that even if they are politically free, even if they have the ballot and a perfectly constitutional government like that of the United States, it is of little real value to them if their lives are lives of poverty, ignorance and drudgery, not only for themselves but for their children and their children's children as well. The Mexican revolution is an economic revolution. It is not political. It is a revolution to own their own country and a little piece of it for every man that wants it.

Mexico has been the happy hunting ground of the adventurer since the days of Spanish conquests. Egypt, Morocco, Tunis, South Africa do not compare with it as a treasure box. Government has always meant merely an organized system of robbery and exploitation. It gave the people nothing; it took everything the people had. It taxed them in the most ruthless ways; it spent the taxes for private purposes and profit. The courts were merely another instrument for enforcing serfdom along with the army. When the peons were unruly the government was always at the command of the big interests to enforce order with a hired army armed with machine guns.

Diaz reduced the process to a scientific system. He termed it "developing the country." The development meant slavery to the people and the giving away of everything of value in the country. There were friends, relatives and favorites to be "seen." They had to be "seen" or nothing came through. In the end the Mexicans were dispossessed of one of the richest spots on the earth's surface and Americans, English, French and German concession hunters possessed grants and privileges conservatively estimated to be worth many billions of dollars.

The concession seekers flocked to Mexico with the coming of Diaz to power in 1876. He owed them everything for they made him master of Mexico. They enjoyed thirty-four years of almost uninterrupted freedom until the flight of Diaz to Paris in 1910. Diaz maintained himself in power by satisfying the foreign concession hunters who in turn protected him from revolution at home and from any kind of intervention from without through their influence at Washington, London, Paris and Berlin and the control of the press and agencies of public opinion in these countries.

During all those years the United States was unhappily the bulwark of the exploiting interests. The Mexican people feared American intervention more than anything else and this fear kept them from revolution. And

the colossal grants and subsidies for railroads, mines, oil, gold, silver, copper and land, judiciously distributed identified the United States department, the Senate, the press and the people of the United States with Diaz, no matter what his outrages might be.

Diaz was under every obligation to the American financial for placing him in power. He paid his first debts by concessions for the building of two railroad lines from the Texas border to Mexico City. Land was given for the right of way together with a subsidy of \$14,000 per mile on level country and \$55,000 a mile in rough country. This was enough in itself to construct the road, especially as forced labor was supplied the contractors at fifty cents a day. Growing out of these concessions Americans now hold securities in the railroads of nearly \$700,000,000.

Just as the financiers from the United States exploited the Mexican railroads so Great Britain enjoyed a monopoly of exploitation of the country's credit. All of the devices learned in Egypt were repeated. There was nothing that the French had devised in Morocco and Tunis that was not duplicated. The national debt was flattered by the recognition of Spanish claims, for reimbursement for expenditures made in the Spanish campaign against the insurgents in the War of Independence and other claims for confiscated estates of the holy orders. French claims were made for some trifling damages to French citizens and property.

In a short time the indebtedness of the country was increased from \$20,000,000 to \$191,000,000 of which approximately \$150,000,000 represented speculations and the plunder of speculators and private interests which succeeded in having their claims recognized.

The concession seekers were insatiable. The oil is owned by American and British syndicates. In 1900 the oil stands next to the United States and Russia. The Waters-Pierce company produced no oil at all. Now it is the largest American oil producing company in Mexico. Their control is contested by the English firm of Pearson, now Lord Cowdray. The British and American oil interests have always been at war. They have fomented all sorts of strife and by many are supposed to be back of the revolutionary movements of the country. In a price cutting war Cowdray gained the upper hand just as Diaz fell from power. Statistics show that his companies control 58 per cent of the oil output of Mexico. American interests supplanted Cowdray in official circles under the Madero government but when Huerta came into power the tables were again turned and Cowdray was again recognized. According to his own statements he gave Huerta support and even subscribed to three per cent of the loan floated by him.

How colossal the stake involved is and how cheap a control of the government would be at any price is seen in the fact that the oil lands in the Tampico district alone amount to 5,000,000 acres while the total oil lands operated in the United States amounts to but 8,800,000 acres. The capacity of a single refinery of Lord Cowdray is 3,000,000 barrels a year.

The mineral resources are almost completely under foreign ownership. Americans dominate large areas. The capital employed in the industry is about \$847,000,000 of which about \$500,000,000 is American. American capital controls electric light and power; it controls the street railways of the cities. It has opened up gold and silver mines. The Mexican rubber industry is largely American. Ex-Senator Aldrich was greatly interested in the Continental Rubber company which largely controls this industry. Great stretches of timber land are also owned while plantations of hundreds of thousands of acres have been acquired in the northern states by American owners.

The American Consul, Marion Letcher of Chihuahua, who has had long experience in Mexico as a mining engineer, places the American investments in Mexico in 1912 at \$1,057,770 as against a total ownership of property by all of the Mexicans of but \$793,187,000. The capital of Mexico is not Mexico City; it is New York.

The French have large interests in Mexico. According to the New York Nation French interests amount to more than a billion dollars although this is far in excess of the estimates of Consul Letcher who places them at but \$148,446,000. However, the latter estimate does not include all forms of wealth. The French are large owners of government bonds, banks, railroads, securities, as well as mills and factories. The banks are largely in French hands, as are the department stores of the cities.

Mexicans own more wealth than foreigners in very few and insignificant industries such as breweries and

Told in Their Own Words

How Hughes and Roosevelt Would Have Acted With Germany, England, Mexico

Out of the din and confusion caused by the assertions, charges, and counter-charges which are being made by the Presidential candidates and their supporters, arises one question which many thousands of people are asking, and that is: "Just What Action Would Mr. Hughes or Mr. Roosevelt Have Taken in Dealing with Germany, England, and Mexico, Had They Been in Mr. Wilson's Place?"

With a view to throwing light on this subject, the editors of THE LITERARY DIGEST have carefully analyzed the speeches of Mr. Hughes, Mr. Roosevelt, and Mr. Wilson bearing upon our foreign relations.

In THE LITERARY DIGEST for October 14, the result is given in a very comprehensive article in which are arranged in careful juxtaposition the public utterances of each of the three men upon the subject of our foreign relations. By means of this orderly arrangement the American public can get a very definite answer to the question raised.

Among other important articles in this exceptionally interesting number are:

Both Sides of the San Francisco Bomb-Charges

For the First Time Since a Bomb Was Exploded During a Preparedness Parade in San Francisco and Killed Ten Persons and Injured Fifty Editorial Opinion From All Angles Is Presented in One Comprehensive Article. The Law and Order Side Is Quoted As Well As the Side of the International Workers' Defense League.

Should Actors Go To War?
A Puzzling Russian Playwright
Beauty-Study for Missionaries
Spain Drifting to the Allies
Sinn Fein Growing
Signaling to Submarines
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There is an old saying that it is impossible to please everybody, which is measurably true. There are exceptions to this, however. One of these is THE LITERARY DIGEST. When you take it home every week you know you will please the whole family. Each issue contains matter for all tastes and for every taste. For father there is the political section, the foreign comment, the discussion of industrial and social issues of moment, and the advice on finance and investments; for mother, the articles on art, and

literature, and religion and social service, and the book reviews; for the elder boy, science and invention, the war reports, and Personal Glimpses; for the elder girl, the art, music and current poetry; for the youngsters, the cartoons and the nuggets of humor in Spice of Life. And every page is clean, interesting, and packed with information. The news is real news, the comments are from all angles, the mirth without a sting. All this makes "The Digest" the ideal home news-magazine.

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retail stores. The total of foreign investments in Mexico is placed by Consul Letcher at two and a half billion dollars or three times the amount of wealth owned by the Mexicans of the entire country.

These are the invisible forces that want intervention. Intervention means that the status quo of Diaz would be confirmed. His grants would be validated. The country would again be made subject to the concessionaries and speculators. It would become a feudatory kept in subjection by the American army which would become a private police force for the banking and speculating interests of Wall Street.

No such stake ever lured high finance. Prior to President Wilson no such power was ever baffled by a President of the United States. An end of the revolution through intervention means a repetition of the conquest of Egypt at the instance of the British bondholders; it means a repetition of Morocco at the instance of the French bankers; it means a repetition of the South African war at the instance of the diamond and gold mine operators of England and Europe. It means slavery for the Mexican people and the imperialism of finance for America.

Democracy is hanging in the balance in this election. Mr. Hughes says that he would act with firmness toward Mexico. "Firmness" is the word always used by the foreign office when it plans invasion. Every act of aggression by England, Germany, Russia or France during the last thirty years has been couched in just these words. "Firmness" and a "strong foreign policy," the protection of American property and American people is merely the periscope of diplomacy. It is part of the jargon of high finance.

Not only is Mexican liberty involved but what is more important to us, American liberty is involved as well. For imperialism is at war with Democracy. It is at war at home as well as abroad and once the country is committed to the doctrine that the

flag follows the investor; once the principle is approved that gamblers, speculators, concessionaires and usurers can go to a revolutionary country and by bribery, corruption and fraud obtain contracts which they can then demand that the state department with the army and navy at its back shall insure, then militarism has become a necessity. Disarmament is impossible, the country is committed to the interests of Wall Street and Kruppism, high finance and the overseas gambler and of neapessity they will be called in to rule.

These are the issues in the present campaign. This is the meaning of the Mexican problems. This is the choice the American people have to make in the present campaign. It is not a question of the Republican or the Democratic party; it is a choice like that which confronted the country in 1860 when the issue presented was slavery or freedom. The issue of 1916 is Imperialism or Democracy.

Farmer Want Ads. One Cent a Word.

S. OF V. WILL HAVE CLASS INITIATION.

Franklin Bartlett camp, No. 11, Sons of Veterans, will have a large class initiation in Grand Army hall, next Tuesday night. Members of Elias Howe post, No. 3, G. A. R., have been invited. A smoker will follow.

U. S. COTTON REPORT.

Washington, Oct. 14—Cotton consumed in the United States during September amounted to 529,227 running bales, counting round as half bales and exclusive of linters, compared with 498,758 bales in September a year ago and 558,117 in August last, the census bureau today announced. For the two months ending with September 1,087,944 bales were consumed, compared with 963,130 a year ago.

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